

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
Hilton Worldwide Holdings, Inc.)	File No.: EB-SED-15-00019993 ¹
)	NAL/Acct. No.: 201632100002
)	FRN: 0025006537

**NOTICE OF APPARENT LIABILITY FOR FORFEITURE
AND ORDER**

Adopted: November 2, 2015

Released: November 2, 2015

By the Chief, Enforcement Bureau:

I. INTRODUCTION

1. In the 21st Century, Wi-Fi represents an essential on-ramp to the Internet. Personal Wi-Fi networks, more commonly known as “hotspots,” provide an important avenue for consumers to connect to the Internet. We have now advised on several occasions that the Communications Act prohibits any person or business from maliciously blocking or disrupting the lawful operation of neighboring Wi-Fi networks.

2. In November 2014, the Enforcement Bureau (Bureau) began a Wi-Fi blocking investigation of Hilton Worldwide Holdings, Inc. (Hilton or Company) after receiving a complaint that the Hilton hotel in Anaheim, California blocked visitors’ personal Wi-Fi hotspots unless they paid the hotel a \$500 fee for Hilton’s Wi-Fi. The Commission has also received complaints about other Hilton properties. To this day, however, Hilton has refused to comply with the Bureau’s Letter of Inquiry (LOI) ordering the Company to provide documents and information about its Wi-Fi management practices for all relevant Hilton properties. Instead, a Hilton subsidiary initially responded only for a single property, arguing that the scope of the Bureau’s investigation should be limited to Hilton’s activities at its Anaheim hotel. Those answers were incomplete and inadequate even for that one property. After repeated warnings that the Company’s response was inadequate, the Hilton subsidiary recently produced limited information regarding the Wi-Fi blocking systems utilized at a small number of additional Hilton properties and again failed to answer many of the questions in the LOI. We cannot and will not countenance such flouting of the Commission’s responsibility and authority. Accordingly, we propose a penalty of \$25,000 against Hilton for apparently willfully and repeatedly violating a Commission order by failing to respond to the Bureau’s LOI and obstructing the Bureau’s investigation into whether Hilton willfully interferes with consumer Wi-Fi devices in Hilton-brand hotel and resort properties across the United States. If this is not sufficient to secure Hilton’s compliance with the Bureau’s Wi-Fi blocking investigation, we are prepared to take further action in the future.

3. We therefore order Hilton, itself, to respond and to respond fully to the Bureau’s November 7, 2014 LOI within thirty (30) calendar days from release of this Notice of Apparent Liability for Forfeiture and Order. We further order Hilton to immediately respond, within fifteen (15) calendar days from release of this Notice of Apparent Liability for Forfeiture and Order, to a subset of critical LOI inquiries regarding the Company’s Wi-Fi blocking practices, specified below. If Hilton delegates to a subsidiary the responsibility to provide any of these responses, Hilton must specify the reasons for doing

¹ The Enforcement Bureau File Number EB-SED-15-00019993 applies only to the enforcement action for Hilton’s apparent failure to respond to a Commission order. File Number EB-SED-15-00019276 continues to apply to the investigation of any substantive Wi-Fi blocking violations.

so and certify, under penalty of perjury, that the subsidiary has provided full and complete responses on Hilton's behalf. Because Hilton's tactics and refusal to respond raise significant questions regarding the Company's potential interference with Wi-Fi communications, the Bureau must now expend additional scarce resources to further investigate and resolve this matter. We emphasize that if Hilton fails to submit a complete response, it may be subject to further enforcement action, including increasingly substantial monetary penalties. Furthermore, Hilton's failure to fully respond to each subsequent letter of inquiry or other directive that the Bureau issues in this investigation may be met with separate, additional monetary penalties up to the statutory maximum.

II. BACKGROUND

4. Our underlying investigation focuses on whether Hilton or its agents engaged in Wi-Fi blocking at any of its Hilton-brand properties across the United States, including franchised hotels. Wi-Fi blocking is a serious concern to the Commission because such activity, where it occurs, undermines wireless innovation and the availability of Wi-Fi as an important Internet access technology and harms consumers by preventing them from using services for which they have already paid. The Bureau recently took action against Wi-Fi service providers at conventions, meeting centers, and hotels throughout the United States for maliciously blocking consumers from establishing independent Wi-Fi hotspots.² And, today in a separate action, the Commission proposed to fine M.C. Dean \$718,000 for apparently engaging in Wi-Fi blocking at the Baltimore Convention Center.³

5. The Internet is a vital platform for economic growth, innovation, competition, and free expression, and Wi-Fi is an important technology that enables the wireless connection of low-power electronic devices (e.g., smartphones) to that platform. Wi-Fi networks have proliferated in places accessible to the public, and consumers are increasingly establishing their own Wi-Fi networks by using mobile hotspots and their wireless data plans to access the Internet through Wi-Fi-enabled devices, such as laptop computers.

6. Wi-Fi devices operate on frequencies shared with other unlicensed devices; their rights are limited to facilitate sharing.⁴ Section 333 of the Communications Act of 1934, as amended (Act), provides broadly that "[n]o person shall willfully or maliciously interfere with or cause interference to any radio communications of any station licensed or authorized by or under this Act or operated by the United States Government."⁵ Thus, all Wi-Fi devices are prohibited from maliciously interfering with or causing interference to authorized communications, including other Wi-Fi transmissions.

7. Wi-Fi blocking occurs when a Wi-Fi system disrupts the lawful operation of a neighboring Wi-Fi network.⁶ The Bureau has consistently warned against causing intentional interference to lawful communications such as Wi-Fi transmissions.⁷

² See *Smart City Holdings, LLC, and its Wholly-Owned Subsidiaries, Smart City Networks, LP, and Smart City Solutions LLC*, Order and Consent Decree, 30 FCC Rcd 8382 (Enf. Bur. 2015) (reaching \$750,000 settlement for Wi-Fi blocking at multiple convention centers); *Marriott Int'l Inc., Marriott Hotel Servs., Inc.*, Order and Consent Decree, 29 FCC Rcd 11760 (Enf. Bur. 2014) (reaching \$600,000 settlement for Wi-Fi blocking at a hotel and convention center).

³ M.C. Dean, Inc., File No. EB-SED-15-00018428, Notice of Apparent Liability for Forfeiture, FCC 15-146 (rel. Nov. 2, 2015).

⁴ See 47 C.F.R. §§ 15.215-15.257 (establishing radiated emission limits and other operational controls to avoid interference).

⁵ 47 U.S.C. § 333; see H.R. Rep. No. 101-316, at 13 (1989) (noting that Section 333 was intended "to prohibit the willful or malicious interference with radio communications, including government communications").

⁶ More specifically, Wi-Fi blocking occurs when a Wi-Fi equipment operator uses the deauthentication protocol to intentionally disrupt the lawful operation of neighboring Wi-Fi networks, including through the indiscriminate use of deauthentication frames to disrupt a Wi-Fi device's link to a Wi-Fi network other than the operator's network.

8. Hilton is a global corporation with more than 4,300 hotel, timeshare, and resort properties worldwide, including such brands as Waldorf Astoria, Conrad Hotels & Resorts, Doubletree by Hilton, Embassy Suites Hotels, Hampton Hotels, Hilton Garden Inn, Hilton Grand Vacations, Home2 Suites by Hilton, and Homewood Suites by Hilton.⁸ Hilton holds multiple FCC licenses through its wholly-owned subsidiaries and manages several franchised hotels throughout the United States that also hold FCC licenses.⁹

9. Last year, the Bureau received a consumer complaint alleging Wi-Fi blocking at a Hilton-brand hotel in Anaheim, California, next to the Anaheim Convention Center.¹⁰ The complainant stated that Hilton blocked Wi-Fi access for visitors at the venue unless they paid a \$500 fee. In response, the Bureau's Spectrum Enforcement Division (Division) commenced an investigation of potential malicious interference at Hilton-brand properties within the United States. On November 7, 2014, the Division issued the LOI to Hilton seeking basic information and documents concerning its corporate structure and its Wi-Fi management practices at Hilton-brand properties in the United States, including the specific technologies deployed.¹¹ Following email and telephone discussions,¹² the Division granted Hilton a seven-day extension in which to respond to inquiries regarding the Hilton-brand hotel named in the complaint and a thirty-day extension in which to respond to inquiries regarding the additional Hilton-brand properties, including franchised hotels, that were encompassed by the LOI.¹³

10. Nearly one year later, Hilton has yet to fully respond to the LOI. Instead, on December 15, 2014, the Division received a response to the LOI from Hilton's subsidiary, Hilton Worldwide, Inc.

(Continued from previous page)

⁷ See *Warning: Wi-Fi Blocking is Prohibited; Persons or Businesses Causing Intentional Interference to Wi-Fi Hot Spots are Subject to Enforcement Action*, Public Notice, 30 FCC Rcd 387 (Enf. Bur. 2015); *Cell Jammers, GPS Jammers, and Other Jamming Devices; Consumer Alert: Using or Importing Jammers is Illegal*, Public Notice, 27 FCC Rcd 2309 (Enf. Bur. 2012); *Cell Jammers, GPS Jammers, and Other Jamming Devices; Consumers Beware: It is Unlawful to Use "Cell Jammers" and Other Equipment that Blocks, Jams, or Interferes with Authorized Radio Communications in the U.S.*, Public Notice, 26 FCC Rcd 1329 (Enf. Bur. 2011).

⁸ See Hilton Worldwide Holdings, Inc. SEC Form 10-K for 2014, available at <http://ir.hiltonworldwide.com/investors/financial-reporting/sec-filings/sec-filings-details/default.aspx?FilingId=10497575> (last viewed Aug. 24, 2015) (Hilton 2014 SEC Form 10-K).

⁹ As noted in the Hilton 2014 SEC Form 10-K, Hilton is the one hundred percent owner of several hotels and resorts in the United States. Many of the wholly-owned hotels and properties hold Industrial/Business pool licenses including, but not limited to, the Hilton Grand Vacation Club (WQEF299) (ULS File No. 0002470263); Embassy Suites, Austin, Texas (WPOC385) (ULS File No 0006121394); and Double Tree Hotel Crystal City (WPTS240) (ULS File No. 0005879283).

¹⁰ See Complaint No. 14-C005789065-1 (Aug. 15, 2014) (on file in EB-SED-15-00019276). Subsequently, consumers also filed complaints alleging Wi-Fi blocking at more than a half-dozen other Hilton-brand hotels.

¹¹ See Letter from Ricardo M. Durham, Acting Chief, Spectrum Enforcement Div., FCC Enforcement Bureau, to Kristen Campbell, Executive Vice President and General Counsel, Hilton Worldwide Holdings, Inc. (Nov. 7, 2014) (on file in EB-SED-15-00019276) (LOI). The LOI instructions advised, "[f]ailure to respond fully, completely, and in a timely manner to this letter of inquiry may constitute a violation of the Communications Act and the Commission's rules." *Id.* at 8.

¹² See E-mail from Bennett L. Ross, Wiley Rein LLP, Counsel for Hilton Worldwide Holdings, Inc., to Ricardo Durham, Senior Deputy Chief, Spectrum Enforcement Div., FCC Enforcement Bureau (Nov. 20, 2014) (on file in EB-SED-15-00019276).

¹³ See Email from Pamera D. Hairston, Assistant Division Chief, Spectrum Enforcement Div., FCC Enforcement Bureau to Bennett L. Ross, Wiley Rein LLP, Counsel for Hilton Worldwide Holdings, Inc. (Dec. 12, 2014) (on file in EB-SED-15-00019276).

(HWI).¹⁴ Neither the HWI Response nor the cover letter from counsel explained why a response was submitted by HWI instead of Hilton, the entity to which the LOI was directed. The HWI Response also was not supported by a declaration by a corporate officer of Hilton, despite the requirement for such a declaration as specified in the LOI.¹⁵ HWI stated that it submitted the response on behalf of itself and the Hilton subsidiary that manages the property mentioned in the complaint. The HWI Response contained corporate policy documents pertaining only generally to wireless management practices (which did not discuss Wi-Fi blocking) and provided Wi-Fi management records pertaining only to the single Hilton-brand property named in the complaint. The HWI Response did not provide any information or documents regarding other Hilton-brand properties.

11. HWI stated that providing the omitted material “would be oppressive and unduly burdensome,” and questioned the Bureau’s authority to investigate potential Wi-Fi blocking at other Hilton-brand properties.¹⁶ The HWI Response failed to provide any answer to certain inquiries and provided inadequate, inconsistent, or incomplete responses to other questions. HWI expressly disclaimed a willingness to provide additional information and documents, objecting to the scope of any investigation beyond the hotel named in the complaint, to inquiries that it called irrelevant, “overly broad,”¹⁷ or “oppressive and unduly burdensome,”¹⁸ and to the Bureau’s authority to investigate.¹⁹

12. The deadline for the Company to produce materials regarding potential Wi-Fi blocking at certain additional Hilton-brand hotels expired on January 7, 2015. An April 7, 2015 Supplemental Response from HWI, again without a declaration from a corporate officer of Hilton, provided only minimal clarifying information regarding the hotel named in the complaint and no additional documents concerning Wi-Fi blocking policies.²⁰

13. On June 16, 2015, the Division issued a follow-up letter to Hilton and its counsel warning the Company that its failure to respond to the LOI could be considered an obstruction of a Bureau investigation.²¹ The letter directed Hilton to explain whether the HWI responses were submitted on Hilton’s behalf and whether the information provided by HWI represented Hilton’s full response to the LOI.²² The letter further directed Hilton to provide complete responses to each of the Bureau’s inquiries and submit any outstanding information and documents requested, including information concerning its

¹⁴ See Letter from Bennett L. Ross, Wiley Rein LLP, Counsel for Hilton Worldwide, Inc., to Scott A. Mackoul, Spectrum Enforcement Div., FCC Enforcement Bureau (Dec. 15, 2014) (on file in EB-SED-15-00019276) (HWI Response).

¹⁵ A declaration was provided by an individual who served as a corporate officer of both Hilton and HWI, but the officer signed only in his capacity as an officer of HWI.

¹⁶ HWI Response at 1-2. The HWI Response asserts, without any support, that providing an event log of Wi-Fi activity would require approximately 350 person hours. *Id.* at 54.

¹⁷ *Id.* at 8.

¹⁸ *Id.* at 1.

¹⁹ *Id.*

²⁰ See Letter from Bennett L. Ross, Wiley Rein LLP, Counsel for Hilton Worldwide Holdings, Inc., to Scott A. Mackoul, Spectrum Enforcement Div., FCC Enforcement Bureau (Apr. 7, 2015) (on file in EB-SED-15-00019276) (Supplemental Response).

²¹ See Letter from Bruce D. Jacobs, Chief, Spectrum Enforcement Div., FCC Enforcement Bureau, to Kristen Campbell, Executive Vice President and General Counsel, Hilton Worldwide Holdings, Inc. and to Bennett L. Ross, Wiley Rein LLP, counsel for Hilton Worldwide Holdings, Inc. (June 16, 2015) (on file in EB-SED-15-00019276).

²² *Id.* at 1-2.

Wi-Fi management practices at certain other Hilton-brand properties.²³ The letter directed Hilton to fully respond to the Division's LOI within seven calendar days.²⁴

14. Hilton's counsel responded with a letter stating that HWI had provided information on behalf of Hilton and reasserting HWI's earlier objections to production of the information and documents.²⁵ The June 23 Letter stated that HWI was the most "relevant" subsidiary of Hilton to respond because it possessed the "information the Enforcement Bureau is seeking."²⁶ The June 23 Letter also declared that "the HWI response dated December 15, 2014, as supplemented by [the] letter of April 7, 2015, represents the 'full and complete response from Hilton.'"²⁷ The June 23 Letter did not provide a declaration from an officer of Hilton itself attesting to the completeness and veracity of the information provided by HWI. The June 23 Letter also failed to provide any of the additional requested information concerning Hilton's Wi-Fi management practices at either the one property identified in the initial complaint or any of the Company's other Hilton-brand properties. The June 23 Letter repeated HWI's earlier objections that providing such information would be "oppressive and unduly burdensome and not reasonably related to the purpose of the Enforcement Bureau's investigation" and claimed to be unaware that the Bureau continued to expect a complete response.²⁸ In what HWI claimed was "evidence of Hilton's good faith," HWI advised the Bureau that certain of the information regarding Hilton-brand properties was available on Hilton's website.²⁹ Lastly, the June 23 Letter stated that Hilton was willing to discuss its concerns regarding the scope of the investigation, which it repeated should be limited to a single hotel.³⁰

15. In one final attempt to secure Hilton's compliance with the LOI, the Bureau again warned Hilton that it was prepared to take formal action against the Company for obstructing the Bureau's investigation, unless Hilton complied fully with the November 2014 LOI. HWI thereafter provided two additional sets of information. On September 17, 2015, HWI sent an email containing a list of the Hilton-brand hotels that it owns or manages within the United States and, for the first time, copies of certain internal communications to its properties specific to its Wi-Fi blocking policies.³¹ On October 2, 2015, HWI submitted a Second Supplemental Response that provides information only about its use of a single type of Wi-Fi system that has been deployed at nineteen Hilton properties.³² HWI has previously represented that the type of Wi-Fi system for which it chose to provide information has the capacity to block consumer hotspots, but does not have the ability to document automatic blocking if it occurs.³³ The

²³ *Id.*

²⁴ *Id.* at 2.

²⁵ See Letter from Bennett L. Ross, Wiley Rein LLP, Counsel for Hilton Worldwide Holdings, Inc., to Bruce D. Jacobs, Chief, Spectrum Enforcement Div., FCC Enforcement Bureau (June 23, 2015) (on file in EB-SED-15-00019276) (June 23 Letter).

²⁶ *Id.* at 1.

²⁷ *Id.*

²⁸ *Id.* at 2.

²⁹ *Id.* at 2-3.

³⁰ *Id.* at 3.

³¹ See E-mail from Bennett L. Ross, Wiley Rein LLP, Counsel for Hilton Worldwide Holdings, Inc., to Bruce D. Jacobs, Chief, Spectrum Enforcement Div., FCC Enforcement Bureau (Sept. 17, 2015) (on file in EB-SED-15-00019276). Hilton distributed a Wi-Fi blocking advisory to Hilton properties one week after receiving our LOI and issued a similar document on December 15, 2014, the same date that it filed a response to the Bureau's LOI.

³² See Letter from Bennett L. Ross, Wiley Rein LLP, Counsel for Hilton Worldwide Holdings, Inc., to Bruce D. Jacobs, Chief, Spectrum Enforcement Div., FCC Enforcement Bureau (Oct. 2, 2015) (on file in EB-SED-15-00019276) (Second Supplemental Response).

³³ See, e.g., HWI Response at 20-21, 36.

Second Supplemental Response did not provide any information regarding the Wi-Fi systems deployed at any other Hilton property. It was signed by an officer of HWI rather than Hilton and was not accompanied by the affidavits or declarations of persons with personal knowledge of the factual representations, as expressly required by the LOI. As of today, Hilton has not provided any of the requested information about the other types of Wi-Fi systems that have been deployed at its other properties or how they might have been used to block consumer hotspots.

III. DISCUSSION

16. We conclude that Hilton apparently willfully and repeatedly failed to respond to a Commission order – the Bureau’s LOI. To the extent that Hilton claims that it intended to adopt its subsidiary’s responses, not only has it failed to do so properly, but it ignores the fact that those responses themselves impermissibly narrowed the scope of the LOI and withheld a significant amount of material information. Simultaneous with the issuance of this Notice of Apparent Liability for Forfeiture and Order, the Bureau is sending Hilton a letter detailing the principal deficiencies in the HWI responses.³⁴ As discussed below, we find that Hilton’s violations are egregious, intentional, and continuing over a period of ten months. In light of these factors and Hilton’s ability to pay, we propose a \$25,000 penalty and order Hilton to provide a complete response to the LOI within thirty days and a complete response to a limited set of inquiries within fifteen days. We reserve the right to order Hilton to provide additional information based on its response thereto.

A. Hilton Apparently Failed to Comply with a Commission Order

17. Hilton apparently willfully and repeatedly violated a Commission order by failing to respond to the LOI. The Commission’s authority to conduct investigations is well-established.³⁵ The Commission has repeatedly taken enforcement action against entities that disregard orders to provide information related to potential violations of the Act or the Commission’s rules.³⁶ Accordingly, companies that receive LOIs must timely file complete and accurate responses to the Bureau’s questions. Failure to timely and fully respond to the Bureau’s inquiries violates the Act.³⁷

³⁴ We are not including this information in this NAL to preserve the integrity of an ongoing investigation.

³⁵ Section 4(i) authorizes the Commission to “issue such orders, not inconsistent with this Act as may be necessary in the execution of its functions.” 47 U.S.C. § 154(i). Section 4(j) states that “[t]he Commission may conduct its proceedings in such manner as will best conduce to the proper dispatch of business and to the ends of justice.” 47 U.S.C. § 154(j). Section 403 grants the Commission both the authority to institute inquiries and “the power to make and enforce any order or orders” relating to its inquiries into compliance with the Act. 47 U.S.C. § 403. Section 0.111(a)(17) of the Commission’s rules delegates this authority to the Bureau. 47 C.F.R. § 0.111(a)(17) (granting the Enforcement Bureau the authority to “[i]dentify and analyze complaint information, conduct investigations, conduct external audits and collect information, including pursuant to sections 218, 220, 308(b), 403 and 409(e) through (k) of the Communications Act, in connection with complaints, on its own initiative or upon request of another Bureau or Office.”).

³⁶ See, e.g., *SBC Commc’ns, Inc.*, Forfeiture Order, 17 FCC Rcd 7589, 7599-7600, paras. 23-28 (2002) (*SBC*); *Net One Int’l, Net One, LLC, Farrahotel Int’l, LLC*, Forfeiture Order, 29 FCC Rcd 264, 267, para. 9 (Enf. Bur. 2014) (*Net One*), *recons. denied* Memorandum Opinion and Order, 30 FCC Rcd 1021 (Enf. Bur. 2015); *AllCom*, Notice of Apparent Liability for Forfeiture and Order, 25 FCC Rcd 9124, 9126-27, paras. 6-10 (Enf. Bur. 2010); *Digital Antenna, Inc.*, Notice of Apparent Liability for Forfeiture and Order, 23 FCC Rcd 7600, 7601-02, paras. 6-8 (Enf. Bur. 2008) (*Digital Antenna*), *consent decree ordered*, Order and Consent Decree, 28 FCC Rcd 12587 (Enf. Bur. 2013).

³⁷ See 47 U.S.C. §§ 154(i), 154(j), 403, 503(b)(1)(B); *SBC*, 17 FCC Rcd at 7599-600, paras. 23-28; *Message Commc’ns, Inc.*, Notice of Apparent Liability for Forfeiture, 29 FCC Rcd 8214, 8216-17, paras. 9-12 (Enf. Bur. 2014); *Calling Post Commc’ns, Inc.*, Notice of Apparent Liability for Forfeiture, 29 FCC Rcd 8208, 8210-11, paras. 8-11 (Enf. Bur. 2014); *Digital Antenna*, 23 FCC Rcd at 7602-03, paras. 8-11.

18. Hilton failed to respond to the LOI.³⁸ Hilton, the parent company to which our LOI was directed, has failed to respond to our initial inquiry. To the extent that it intended to adopt its subsidiary's responses, it never provided a declaration from a Hilton officer on behalf of Hilton attesting to the accuracy of that response. The June 23 Letter and the subsequent submissions fail to cure this problem, because they also omit any declaration from a Hilton corporate officer supporting either its contention that HWI represents the most "relevant" Hilton subsidiary to the Bureau's investigation or that Hilton stands behind the HWI responses.³⁹ Importantly, those declarations by an officer of HWI were also not supported by the affidavits or declarations of employees with personal knowledge of the representations made. Each of the responses, therefore, is facially deficient even without consideration of their contents. Finally, Hilton's assertion that it is not the proper corporate entity to respond to Wi-Fi blocking questions strains credulity. Four days after HWI responded to our LOI, Hilton itself submitted detailed comments to the Commission on topics specifically addressed in the LOI.⁴⁰ In those comments, Hilton advanced the position in the Marriott Petition that hotels like Hilton should be permitted to engage in Wi-Fi blocking as a Wi-Fi network management practice.⁴¹ Needless to say, it is difficult to square Hilton's December 19, 2014 Wi-Fi blocking comments with its contention that four days earlier Hilton did not possess information that would be relevant to the Bureau's investigation.⁴²

19. Even if Hilton had properly attested to the completeness and accuracy of the information provided by its subsidiary, its responses are grossly inadequate and incomplete. Other than the last-minute submission regarding only a few properties that had deployed a single type of Wi-Fi system, the responses provided no information regarding the full range of Wi-Fi technology deployed and used at Hilton-brand properties throughout the United States, which is the focus of this investigation. Instead, Hilton limited its initial—and most complete—response to a single Hilton-brand property.⁴³ Even then, it failed to provide responsive answers to many critical questions and chose to substitute its own definitions for key terms expressly defined by the LOI, including terms defining the scope of our investigation. The Supplemental Response clarified certain responses regarding the property specified in the original complaint, but did not include any attempt to cure the remaining defects.

³⁸ See, e.g., *SBC*, 17 FCC Rcd at 7591, para. 5; see also 47 U.S.C. § 416(c) ("It shall be the duty of every person, its agent and employees . . . to observe and comply with [Commission] orders so long as the same shall remain in effect."); 47 U.S.C. § 408 (Commission orders "shall continue in force for the period of time specified in the order or until the Commission or a court of competent jurisdiction issues a superseding order."); *Midcontinent Commc'ns, Inc.*, Notice of Apparent Liability for Forfeiture and Order, 24 FCC Rcd 976, 978, para. 7 (Enf. Bur. 2009) ("[t]he Commission has broad investigatory authority, and Midcontinent is obligated to respond to our inquiries, even if it believes them to be outside the Commission's authority."); *World Commc'ns Satellite Sys., Inc.*, Notice of Apparent Liability for Forfeiture, 18 FCC Rcd 18545, 18546-18547, para. 5 (Enf. Bur. 2003) ("parties are required to comply with Bureau orders even if they believe them to be outside the Commission's authority").

³⁹ See *Google Inc.*, Notice of Apparent Liability for Forfeiture, 27 FCC Rcd 4012, 4031, para. 44 (Enf. Bur. 2012) (*Google*); see, e.g., *SBC*, 17 FCC Rcd at 7599-7600 paras. 23-28 (ordering \$100,000 forfeiture for egregious and intentional failure to certify the response to a Bureau inquiry).

⁴⁰ See *Hilton Worldwide Holdings, Inc. Comments on Petition of American Hospitality & Lodging Ass'n, Marriott Int'l, Inc., and Ryman Hospitality Properties, Petition for Declaratory Ruling, RM-11737* (filed Dec. 19, 2014) (*Hilton Comments on Marriott Petition*).

⁴¹ *Hilton Comments on Marriott Petition, RM-11737*, at 2-3 ("...Hilton is concerned that Section 333, if construed to prohibit Wi-Fi operators from using the capabilities of their FCC-approved Part 15 devices to engage in reasonable network management, could gut a network operator's ability to provide safe and reliable Wi-Fi service.").

⁴² See June 23 Letter at 1.

⁴³ See HWI Response.

20. Hilton failed to heed even an express warning that its failure to appropriately respond could be considered obstruction and subject it to separate monetary penalties.⁴⁴ Instead, the June 23 Letter rested on prior objections and declared that the Company's prior submissions represent "the full and complete response from Hilton."⁴⁵ Rather than provide even basic corporate information, the June 23 Letter advised the Bureau to comb through Hilton's website if it wished to find some of the pertinent information.⁴⁶ Though the Second Supplemental Response contained information regarding the use of one type of Wi-Fi system at a few additional properties, Hilton still has not provided complete answers to our questions. Contrary to its claim that it provided this information "consistent with its commitment to cooperate,"⁴⁷ it continues to withhold information and documents regarding the Hilton-brand properties in the United States that may have or have had the capacity to engage in illegal Wi-Fi blocking. Moreover, it appears from its September 17 submission that Hilton may have deliberately withheld certain documents regarding its Wi-Fi blocking policy and practices, as those documents were available throughout the course of this investigation, including documents that do not appear to be subject to any of Hilton's objections.⁴⁸

21. Hilton's subsidiary and its counsel argue that providing the requested information related to its Wi-Fi management practices at the Company's other Hilton-brand properties would be "oppressive and unduly burdensome."⁴⁹ The Commission is not required to bargain for the information needed. LOI recipients must provide timely and complete responses to LOIs even when producing the requested information "would be a time-consuming and burdensome task."⁵⁰ In any event, the claim is not supported; beyond an unsubstantiated estimate of the time necessary to produce the requested information, Hilton never stated that it does not have the requested information or otherwise cannot respond to the Bureau's inquiries regarding its Wi-Fi management practices at the Company's other Hilton-brand properties.⁵¹ We reject any contention that we must limit the scope of our inquiry about Hilton's Wi-Fi management practices only to the single Hilton-brand property identified in the original consumer complaint or to a single type of Wi-Fi equipment and that the practices at other locations are not "reasonably related" to the Bureau's investigation of that complaint.⁵² Indeed, Hilton publicly admitted in another matter before the Commission that it employs Wi-Fi network management equipment on its properties that possess the ability to "mitigate unauthorized access points" to address its network reliability concerns.⁵³ As explained above, the Bureau need not justify the scope of an investigation to the satisfaction of the subject of that investigation. In addition, the Bureau need not limit its investigation to

⁴⁴ See Letter from Bruce D. Jacobs, Chief, Spectrum Enforcement Div., FCC Enforcement Bureau, to Kristen Campbell, Executive Vice President and General Counsel, Hilton Worldwide Holdings, Inc. and to Bennett L. Ross, Wiley Rein LLP, counsel for Hilton Worldwide Holdings, Inc. (June 16, 2015) (on file in EB-SED-15-00019276).

⁴⁵ See June 23 Letter at 1-2.

⁴⁶ See *id.* at 2-3.

⁴⁷ See Second Supplemental Response at 1.

⁴⁸ See *supra* note 31.

⁴⁹ See, e.g., HWI Response at 6.

⁵⁰ See, e.g., *Google*, 27 FCC Rcd at 4030-31, paras. 43-45 (imposing a forfeiture despite objections to the burdensome nature of the inquiry); *Resp-Org.com*, Citation, 26 FCC Rcd 3739, 3740 (Enf. Bur. 2011) (citing company for failing to provide requested information when party argued that response would be burdensome).

⁵¹ In September and October 2015, Hilton produced certain responsive materials that apparently would have been readily available to the Company at any time, such as the names of hotels owned and managed by Hilton. In any event, the LOI also imposes a continuing duty upon the recipient to supplement an incomplete or inaccurate response as new information becomes available during the course of the investigation.

⁵² See June 23 Letter at 2.

⁵³ Hilton Comments on Marriott Petition, RM-11737, at 3.

the scope of consumer complaints and, in fact, may commence an investigation on its own initiative without any complaints.⁵⁴

22. Furthermore, the Commission has consistently held that, objections notwithstanding, entities must provide timely and complete responses to an Enforcement Bureau inquiry. An entity that receives a letter of inquiry from the Commission must submit a proper response regardless of objections that responding would be unduly burdensome or doubts concerning the Bureau's authority.⁵⁵ LOI recipients must respond to a Commission order as long as such order remains in effect.⁵⁶ Hilton has willfully and repeatedly failed to provide the substantive information needed to advance this investigation and thus obstructed the Bureau from carrying out its statutory mandate to enforce the Communications Act. At this point, Hilton has had almost a year to respond to our LOI; it has failed to adequately respond despite express warnings. As a result, Hilton's apparent violations of a Commission order remain ongoing. Accordingly, we find that Hilton apparently willfully and repeatedly violated, and continues to violate, a Commission order by failing to respond to the Bureau LOI.

B. Proposed Forfeiture

23. Section 503(b)(1)(B) of the Act authorizes the Commission to impose a forfeiture against any entity that "willfully or repeatedly fail[s] to comply with any of the provisions of [the Act] or of any rule, regulation, or order issued by the Commission."⁵⁷ Here, Section 503(b)(2)(D) of the Act authorizes us to assess a forfeiture against Hilton of up to \$16,000 for each day of a continuing violation, up to a statutory maximum of \$122,500 for a single act or failure to act.⁵⁸ In exercising our forfeiture authority, we must consider the "nature, circumstances, extent, and gravity of the violation and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and other such matters as justice may require."⁵⁹ In addition, the Commission has established forfeiture guidelines; they establish base penalties for certain violations and identify criteria that we consider when determining the

⁵⁴ 47 U.S.C. § 403 ("The Commission shall have full authority and power at any time to institute an inquiry, on its own motion, in any case and as to any matter or thing concerning which complaint is authorized to be made...."); 47 U.S.C. § 154 ("The Commission may perform any and all acts, make such rules and regulations, and issue such orders, not inconsistent with this Act, as may be necessary in the execution of its functions."); 47 C.F.R. § 0.111(a)(17) (stating that the Enforcement Bureau may conduct investigations and collect information on its own initiative); *see also STi Telecom Inc.*, File No. EB-TCD-12-00000453, Forfeiture Order, FCC 15-113, para. 32 (rel. Oct. 21, 2015).

⁵⁵ *Fox Television Stations, Inc.*, Notice of Apparent Liability for Forfeiture, 25 FCC Rcd 7074, 7080, para. 14 (Enf. Bur. 2010) (*Fox Television Stations*) ("parties must comply with Bureau orders even if they believe them to be outside of the Commission's authority"); *see, e.g., SBC*, 17 FCC Rcd at 7598, para. 20 ("[A] licensee cannot ignore a Commission order simply because it believes such order to be unlawful."); *Peninsula Commc'ns*, Forfeiture Order, 17 FCC Rcd 2832, 2834, para. 5 (2002) (same).

⁵⁶ *See* 47 U.S.C. § 416(c) ("It shall be the duty of every person . . . to observe and comply with such orders so long as the same shall remain in effect.")

⁵⁷ 47 U.S.C. § 503(b)(1)(B).

⁵⁸ *See* 47 U.S.C. § 503(b)(2)(D); *see also* 47 C.F.R. § 1.80(b)(7). These amounts reflect inflation adjustments to the forfeitures specified in Section 503(b)(2)(D) (\$10,000 per violation per day of a continuing violation and \$75,000 per any single act or failure to act). The Federal Civil Penalties Inflation Adjustment Act of 1990, Pub. L. No. 101-410, 104 Stat. 890, as amended by the Debt Collection Improvement Act of 1996, Pub. L. No. 104-134, Sec. 31001, 110 Stat. 1321 (DCIA), requires the Commission to adjust its forfeiture penalties periodically for inflation. *See* 28 U.S.C. § 2461 note (4). The Commission most recently adjusted its penalties to account for inflation in 2013. *See Amendment of Section 1.80(b) of the Commission's Rules, Adjustment of Civil Monetary Penalties to Reflect Inflation*, Order, 28 FCC Rcd 10785 (Enf. Bur. 2013); *see also* Inflation Adjustment of Monetary Penalties, 78 Fed. Reg. 49370-01 (Aug. 14, 2013) (setting Sept. 13, 2013, as the effective date for the increases).

⁵⁹ 47 U.S.C. § 503(b)(2)(E).

appropriate penalty in any given case.⁶⁰ Under these guidelines, we may adjust a forfeiture upward for violations that are egregious, intentional, or repeated, or that cause substantial harm or generate substantial economic gain for the violator.⁶¹

24. Section 1.80(b) of the Commission's rules sets a base forfeiture of \$4,000 for failure to respond to Commission communications for each violation or each day of a continuing violation.⁶² We have discretion, however, to depart from these guidelines, taking into account the particular facts of each individual case.⁶³ Specifically, the Commission has "issued penalties for failure to respond that far exceeded the \$4,000 base forfeiture, including cases in which the targets answered some of the LOI questions, but failed to answer them completely or provide all of the required information."⁶⁴

25. Here, Hilton failed to respond and HWI failed to completely respond to the Bureau's LOI. Given the totality of the circumstances, and consistent with the *Forfeiture Policy Statement*, we conclude that a significant upward forfeiture adjustment is warranted from the base forfeiture of \$4,000. We find several upward adjustment factors present. First, we upwardly adjust for egregious misconduct. The actions and omissions in this case were especially egregious because the refusal to provide the information obstructed, and continues to obstruct, the Bureau's investigation into whether Hilton-brand hotels engaged in unlawful conduct in violation of the Act. This obstruction has caused the Bureau to expend "additional, significant resources" in this investigation.⁶⁵ Such dilatory and obstructionist tactics may prevent us from being able to conclude the investigation within the statute of limitations period or may otherwise reduce our ability to appropriately penalize Hilton for any substantive violations. As we have stated before, "[m]isconduct of this type exhibits contempt for the Commission's authority and threatens to compromise the Commission's ability to adequately investigate violations of its rules."⁶⁶

26. Second, it is apparent from the various objections and responses by Hilton's counsel and its subsidiary that the Company deliberately failed to provide certain information and documents sought by the LOI, notwithstanding its recent submissions.⁶⁷ Thus, its failure to comply with the Commission's order was intentional and warrants an upward forfeiture adjustment.⁶⁸ Third, the length of delay has been substantial. Hilton declined to avail itself of the opportunity to resolve this investigation in an efficient manner. More than nine months have elapsed since the extended deadline for Hilton to submit a full

⁶⁰ 47 C.F.R. § 1.80(b)(8), Note to paragraph (b)(8).

⁶¹ *Id.*

⁶² 47 C.F.R. § 1.80(b).

⁶³ *The Commission's Forfeiture Policy Statement and Amendment of Section 1.80 of the Rules to Incorporate the Forfeiture Guidelines*, Report and Order, 12 FCC Rcd 17087, 17098-99, para. 22 (1997) (noting that "[a]lthough we have adopted the base forfeiture amounts as guidelines to provide a measure of predictability to the forfeiture process, we retain our discretion to depart from the guidelines and issue forfeitures on a case-by-case basis, under our general forfeiture authority contained in Section 503 of the Act") (*Forfeiture Policy Statement*), *recons. denied*, Memorandum Opinion and Order, 15 FCC Rcd 303 (1999).

⁶⁴ *GPSPS, Inc.*, Notice of Apparent Liability for Forfeiture, 30 FCC Rcd 2522, 2533, para. 27 (2015) (*GPSPS NAL*), *forfeiture ordered*, Forfeiture Order, 30 FCC Rcd 7814 (2015).

⁶⁵ *See Fox Television Stations*, 25 FCC Rcd at 7081, para. 15.

⁶⁶ *Id.*; *Technical Commc'n Network*, 28 FCC Rcd at 1020, para. 7.

⁶⁷ *See supra* note 31 and associated text. Though encompassed by the LOI, Hilton did not relinquish documents that expressly concerned corporate Wi-Fi blocking policy until September 17, 2015, over ten months after that information was first requested.

⁶⁸ *See Forfeiture Policy Statement*, 12 FCC Rcd 17087, 17100; *see also* 47 C.F.R. § 1.80(b)(8), Note to paragraph (b)(8); Section II. Adjustment Criteria for Section 503 Forfeitures (establishing intentional violation as an upward adjustment factor); *Peninsula Commc'ns*, 17 FCC Rcd at 2836, para. 8 (continued unauthorized operation deemed intentional, warranting an upward adjustment of the forfeiture amount).

response, and it still has failed to produce the requested information. Moreover, the Division again directed Hilton to fully respond and expressly warned Hilton that continued failure to respond could result in monetary penalties.⁶⁹ Thus, we find an additional upward adjustment factor because the failure to respond in this instance was both continued and repeated.⁷⁰ Finally, we upwardly adjust based on Hilton's ability to pay. The Commission has determined that large or highly profitable companies should expect to pay higher forfeitures for violations of the Act and the Commission's rules.⁷¹ Hilton recently reported total assets of more than \$25 billion.⁷² Thus, to ensure that the forfeiture is an effective deterrent and not simply a cost of doing business for Hilton, a significant upward adjustment of the base forfeiture amount is warranted.

27. We find no applicable basis for a downward adjustment. Consistent with prior failure-to-respond cases, we find that Hilton's failure to respond completely to a Commission order in the circumstances presented here warrants a forfeiture of \$25,000.⁷³ This forfeiture is appropriate given the extent of the violation and the deliberate disregard for the Commission's authority exhibited by the Company, including the insufficiency of the responses.

28. Therefore, consistent with prior failure-to-respond cases⁷⁴ as well as the *Forfeiture Policy Statement*, Section 1.80 of the Commission's rules, and the statutory factors, we propose a forfeiture of \$25,000, for which Hilton is apparently liable. As noted above, if Hilton continues to fail to submit a complete response, fails to comply with this order, or fails to cooperate with this investigation, it will be subject to further enforcement action, including increasingly substantial monetary penalties.

IV. CONCLUSION

29. We conclude that Hilton apparently willfully and repeatedly violated a Commission order by failing to respond to the Bureau LOI. As such, Hilton is apparently liable for a forfeiture of \$25,000. In order to proceed as efficiently and promptly as possible with our investigation, we order Hilton to provide a subset of the required information within fifteen days, so that we can identify an appropriate sample of venues for further, more detailed responses. We also order it to provide within the same deadline more complete information regarding its corporate communications regarding its Wi-Fi blocking policies. Finally, we order Hilton to provide a full and complete response to the LOI within thirty days.⁷⁵

⁶⁹ See *supra* para. 13.

⁷⁰ See, e.g., 47 C.F.R. § 1.80(b)(8), Note to paragraph (b)(8): Section II. Adjustment Criteria for Section 503 Forfeitures (noting that "upward adjustment criteria" include "[r]epeated or continuous violation"); see also *AT&T Wireless Services, Inc.*, Forfeiture Order, 17 FCC Rcd. 21866, 21875, para. 27 (Enf. Bur. 2002) (continuing or repeated violations "support a substantial upward adjustment of the base forfeiture amount").

⁷¹ See *Forfeiture Policy Statement*, 12 FCC Rcd at 17099-17100, paras. 23-24 (cautioning all entities and individuals that the Commission will take into account the violator's ability to pay in determining a forfeiture to guarantee that large or highly profitable entities do not consider forfeitures merely an affordable cost of doing business, and noting that such entities should expect proposed forfeitures against them to be well above the applicable base amount); see also *SM Radio, Inc.*, Order on Review, 23 FCC Rcd 2429, 2433, para. 12 (2008); *Tesla Exploration, Inc.*, Notice of Apparent Liability for Forfeiture, 27 FCC Rcd 9808, 9811, para. 10 & n.20 (2012); *Union Oil Co. of California*, 27 FCC Rcd 13806, 13810, para. 10 (2012).

⁷² See Hilton Worldwide Holdings, Inc. SEC 10-Q Report, available at <http://ir.hiltonworldwide.com/investors/financial-reporting/sec-filings/sec-filings-details/default.aspx?FilingId=10827667> (last visited Aug. 3, 2015).

⁷³ See *GPSPS NAL*, 30 FCC Rcd at 2533, para. 28; *Net One*, 29 FCC Rcd at 267, para. 9; *Fox Television Stations*, 25 FCC Rcd at 7081, para. 15.

⁷⁴ See *id.*

⁷⁵ The Bureau will timely review the information filed by Hilton that it is required to submit within fifteen days. If, upon completion of such review, the Bureau deems it appropriate to limit or otherwise modify the full and complete LOI responses Hilton is required to provide, the Bureau reserves the right, at its discretion, to do so. Unless and

(continued...)

In advance of the thirty-day deadline, the Bureau may modify the requirement that Hilton provide a full and complete response to the LOI.

V. ORDERING CLAUSES

30. Accordingly, **IT IS ORDERED** that, pursuant to Section 503(b) of the Act⁷⁶ and Sections 0.111, 0.311 and 1.80 of the Commission's rules,⁷⁷ Hilton Worldwide Holdings, Inc. is hereby **NOTIFIED** of this **APPARENT LIABILITY FOR FORFEITURE** in the amount of twenty five thousand dollars (\$25,000) for willful and repeated violations of a Commission order.

31. **IT IS FURTHER ORDERED** that Hilton Worldwide Holdings, Inc. **SHALL FULLY RESPOND**, not later than thirty (30) calendar days from the release date of this Notice of Apparent Liability for Forfeiture and Order, to the Bureau's Letter of Inquiry dated November 7, 2014, in accordance with the instructions set forth therein.

32. **IT IS FURTHER ORDERED** that Hilton Worldwide Holdings, Inc. **SHALL FULLY RESPOND**, not later than fifteen (15) calendar days from the release date of this Notice of Apparent Liability for Forfeiture and Order, to each element of Inquiry 5 of the Letter of Inquiry dated November 7, 2014, with respect to each hotel or resort property that Hilton has owned or managed within the United States during the period of time covered by the Letter of Inquiry, inclusive of those properties identified to the Bureau on September 17, 2015.

33. **IT IS FURTHER ORDERED** that Hilton Worldwide Holdings, Inc. **SHALL IDENTIFY**, not later than fifteen (15) calendar days from the release date of this Notice of Apparent Liability for Forfeiture and Order, by title, date, Bates number (if applicable), and summary, any and all Documents issued or in effect during the period of time covered by the Letter of Inquiry dated November 7, 2014 that pertain to Wi-Fi blocking or Wi-Fi management practices or policies at Hilton branded hotels and resorts within the U.S., inclusive of its franchised properties.

34. **IT IS FURTHER ORDERED** that Hilton Worldwide Holdings, Inc. **SHALL PRODUCE**, not later than fifteen (15) calendar days from the release date of this Notice of Apparent Liability for Forfeiture and Order, each Document identified under Paragraph 33 that was not previously submitted to the Bureau during this investigation, and **SHALL STATE** under penalty of perjury the reason the Company did not produce the Document.

35. **IT IS FURTHER ORDERED** that, pursuant to Section 1.80 of the Commission's rules,⁷⁸ within thirty (30) calendar days of the release date of this Notice of Apparent Liability for Forfeiture and Order, Hilton Worldwide Holdings, Inc. **SHALL PAY** the full amount of the proposed forfeiture or **SHALL FILE** a written statement seeking reduction or cancellation of the proposed forfeiture consistent with paragraph 38 below.

36. Payment of the forfeiture must be made by check or similar instrument, wire transfer, or credit card, and must include the NAL/Account Number and FRN referenced above. Hilton Worldwide Holdings, Inc. shall send electronic notification of payment to Kevin Pittman at Kevin.Pittman@fcc.gov, Pamela Hairston at Pamela.Hairston@fcc.gov, and Samantha Peoples at Sam.Peoples@fcc.gov on the date said payment is made. The electronic notification should cite the NAL/Account Number, FRN, and File Number contained in the case caption. Regardless of the form of payment, a completed FCC Form

(Continued from previous page) _____

until the Bureau limits or modifies the information Hilton is required to provide, Hilton must provide its full and complete response to the LOI within thirty days of release of this item.

⁷⁶ 47 U.S.C. § 503(b).

⁷⁷ 47 C.F.R. §§ 0.111, 0.311, 1.80.

⁷⁸ *Id.*

159 (Remittance Advice) must be submitted.⁷⁹ When completing the FCC Form 159, enter the Account Number in block number 23A (call sign/other ID) and enter the letters “FORF” in block number 24A (payment type code). Below are additional instructions that should be followed based on the form of payment selected:

- Payment by check or money order must be made payable to the order of the Federal Communications Commission. Such payments (along with the completed Form 159) must be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000, or sent via overnight mail to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101.
- Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. To complete the wire transfer and ensure appropriate crediting of the wired funds, a completed Form 159 must be faxed to U.S. Bank at (314) 418-4232 on the same business day the wire transfer is initiated.
- Payment by credit card must be made by providing the required credit card information on FCC Form 159 and signing and dating the Form 159 to authorize the credit card payment. The completed Form 159 must then be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000, or sent via overnight mail to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101.

37. Any request for making full payment over time under an installment plan should be sent to: Chief Financial Officer—Financial Operations, Federal Communications Commission, 445 12th Street, SW, Room 1-A625, Washington, DC 20554.⁸⁰ Questions regarding payment procedures should be directed to the Financial Operations Group Help Desk by phone, 1-877-480-3201, or by e-mail, ARINQUIRIES@fcc.gov.

38. The written statement seeking reduction or cancellation of the proposed forfeiture, if any, must include a detailed factual statement supported by appropriate documentation and affidavits pursuant to Sections 1.16 and 1.80(f)(3) of the Commission’s rules.⁸¹ The written statement must be mailed to the Office of the Secretary, Federal Communications Commission, 445 12th Street, SW, Washington, DC 20554, ATTN: Enforcement Bureau – Spectrum Enforcement Division, and must include the NAL/Account Number and File Number referenced in the caption. The statement must also be e-mailed to Kevin Pittman at Kevin.Pittman@fcc.gov and Pamera Hairston at Pamera.Hairston@fcc.gov.

39. The Commission will not consider reducing or canceling a forfeiture in response to a claim of inability to pay unless the petitioner submits: (1) federal tax returns for the most recent three-year period; (2) financial statements prepared according to generally accepted accounting practices; or (3) some other reliable and objective documentation that accurately reflects the petitioner’s current financial status. Any claim of inability to pay must specifically identify the basis for the claim by reference to the financial documentation.

⁷⁹ An FCC Form 159 and detailed instructions for completing the form may be obtained at <http://www.fcc.gov/Forms/Form159/159.pdf>.

⁸⁰ See 47 C.F.R. § 1.1914.

⁸¹ 47 C.F.R. §§ 1.16, 1.80(f)(3).

40. **IT IS FURTHER ORDERED** that a copy of this Notice of Apparent Liability for Forfeiture shall be sent by first class mail and certified mail, return receipt requested, to Kristen Campbell, Executive Vice President and General Counsel, Hilton Worldwide Holdings, Inc., 7930 Jones Branch Drive, McLean, VA 22102, and to Bennett L. Ross, Wiley Rein LLP, Counsel for Hilton Worldwide Holdings, Inc., 1776 K Street, NW, Washington, DC 20554.

FEDERAL COMMUNICATIONS COMMISSION

Travis LeBlanc
Chief
Enforcement Bureau